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Columbia, S.C. 29211
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DAN E ARNETT CHIEF OF STAFF

Phone: (803: 737-0800 Fax: (803) 737-0801



June 27, 2005

Mr. Charles L.A. Terreni Chief Clerk/Administrator South Carolina Public Service Commission 101 Executive Center Dr., Suite 100 Columbia, SC 29210

Re: Letter from Mr. Donald A. Cotnoir dated May 29, 2005

Dear Mr. Terreni:

I am writing concerning a letter the Public Service Commission recently forwarded to the Office of Regulatory Staff regarding telephone customers living in the Bluffton, South Carolina area. I have enclosed a copy of the letter for your review.

It is my understanding that Mr. Donald A. Cotnoir, a resident of Sun City Hilton Head, is requesting that Hargray Communications and its affiliated companies provide an extended calling area such that calls from the Bluffton/Sun City Hilton Head area to Hilton Head Island would not be subject to long distance charges.

Before the implementation of Act 175, when the Commission received a request to study the feasibility of implementing such a local calling area, the Commission would oversee a cost study and, if feasible, direct the telephone companies to ballot their customers as to whether such a calling area should be established. Since the inception of ORS, the role of our two organizations is not clear in these types of situations. After reviewing the request, ORS believes Act 175 would require us to execute and direct any such cost study and ballot measure that the Commission required; however, it is our understanding and belief that the Commission is the appropriate fact finding body to determine whether such a process is necessary. Once the Commission has established such an obligation, ORS will then be endowed with the authority to pursue such a cost study or other appropriate analysis.

If the Commission determines this issue is appropriate for a study and so orders, ORS will be glad to carry out the required procedures and report the results to the Commission. Please let me know if you require any other information or if you have any questions.

Sincerely,

Benjamin P. Mustian

## Enclosure

cc: Mr. Donald A. Cotnoir

Mr. Bob Labonte, Hargray Communications

The Honorable Bill Herbkersman, Member of the House of Representatives

The Honorable Henry Johnston, Mayor of Bluffton

The Honorable Margaret Griffin, Beaufort County Council

Phyllis Giglinto, Sun City Hilton Head Community Association

Joe Fragale, Sun City Hilton Head Community Association

Bob Mahnke, Sun City Hilton Head Community Association

M. John Bowen, Jr., Esquire



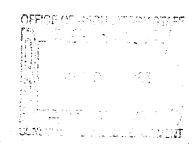
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ORS T.T.W.W/W

## Donald A. Cotnoir 204 Colonel Thomas Heyward Road Sun City Hilton Head Bluffton, SC 29909

May 29, 2005

Mr. Charles Terreri Chief Clerk/Administrator Public Service Commission P.O. Drawer 11649 Columbia, SC 29211





Dear Mr. Terreri:

I am a resident of Sun City Hilton Head and along with some other 4,000 senior citizen residents that currently use Hargray Communications.

A group of concerned residents have met to discuss the need for a local telephone line to Hilton Head. Many of us frequently have the need to call the Island for medical appointments, restaurant reservations, and other business matters. Many of us also pay a fee for internet dial up service. We collectively request that this be changed.

We feel that the residents of Sun City and Bluffton should not have to pay to call Hilton Head Island. Some of us are using the inconvenience of calling cards and cell phones, while we wait for the arrival of ComCast. Presently, there is no competition for local telephone service.

Some of us on fixed incomes are finding the cost of Hargray telephone service exorbitant. A prompt reply to this request would be appreciated.

Sincerely,

Donald A. Cotnoir

Copy to:

Mr. Bob Labonte, VP & COO, Hargray Communications

Representative Bill Herbkersman, District 118

Henry Johnston, Mayor of Bluffton

Phyllis Giglinto, Chair, Gov. & Business Affairs Committee

Joe Fragale, Vice Chair, Gov. & Business Affairs Committee

Bob Mahnke, Executive Director, Sun City Hilton Head

Margaret Griffin, Beaufort County Council